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Socialite Power Broker Linked to Seoul Regime

Tongsun Park: Korean Mystery Man

First of two articles

By Ronald Kessler

Washington Post Staff Writer

Tongsun Park, a South Korean businessman who regularly entertains many of the top leaders of the U.S. government, is one of Washington's most accomplished power brokers.

One of Park's parties was attended by Gerald R. Ford when he was Vice President, and Park recently hosted functions for former Attorney General William B. Saxbe and House Majority Leader Thomas P. (Tip) O'Neill Jr. (D-Mass.).

Although Park is on a first-name basis with many of Washington's most powerful political figures, many of his activities have remained a mystery.

Park presents himself as a wealthy businessman with interests in shipping, oil and rice. He and the South Korean government deny that he is a representative of Korea, or that he has any official connection with it.

If Park boosts Korea in his visits with members of Congress, it is only because increased American aid to Korea would indirectly benefit his businesses there, he has told acquaintances.

According to others who have dealt with him, Park parlays connections, money and parties into more power and money and acts as an influential voice of the Korean lobby in Washington.

The Washington Post has been told by American businessmen who have dealt with him in confidential rice transactions that he has identified his role as acting as a representative of the Korean government.

San Francisco Mayor Joseph E. Alioto, who also serves as a lawyer for California's largest rice cooperative, told the Post that Park told him he was going to be the "agent" for the Korean government in rice transactions.

Park subsequently told the cooperative, the Rice Growers Association of California, that he "knew the government people over there, including the Korean CIA and the president," according to Robert W. Freedland, executive vice president of the cooperative.

Freedland said the cooperative had previously been unable to sell rice to Korea either in commercial transactions or in the U.S.-financed Food for Peace program because its agent had been unacceptable to the Korean government.

After the cooperative began paying commissions to Park, Freedland said, "He solved the problems."

An executive of another firm said Park told him at Park's home in Korea that he was "in charge of rice procurement for Korea, and we would have to deal with him."

Like others interviewed, the executive said he did not want to be identi-

fied because of fear of economic or physical retribution by the South Korean government.

In 1973, the administrative office of the South Korean department of rice told an American firm that Park's service will "take care of all of our rice trade with the United States in the future." According to a copy of the administrative file on file with the Agriculture Department.

This year Park told American Rice Inc., the largest rice cooperative in Texas, that he was buying \$3 million worth of rice from the cooperative for the South Korean government, said Ralph S. Newman, general manager of the cooperative.

Newman said he had a "standing" from Park's lawyer to him which Park would "arrange final shipping details with the Korean government, and whose behalf he is acting in this transaction." Park's representation was confirmed by a second source.

An executive of another rice cooperative firm said Park told him "I can't don't work with me in Korea, or else you'll have problems."

The executive, who asked not to be identified, said Park said he would deal with the U.S. through an American agent.

Park declined to reveal details for an interview. His lawyer, Ronald T. Ables, said Park declined to be interviewed.

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having served as a South Korean agent.

Referring specifically to the Korean administrator's letter on use of Park's services in the rice-trade, Ables said the letter stated that the Korean government had very high regard for Mr. Park's knowledge and experience in marketing problems and about the Korean people's preference in rice and sought to utilize his expertise as an adviser.

"Because the letter referred to Park as the head of his own private company," the letter made clear that he was serving "in a private business capacity," Ables said.

However, Ables said that when the Agriculture Department questioned Park's role—described in the letter as being that of an "intermediary"—the South Korean government "withdrew its request that Mr. Park serve in this capacity and the matter was dropped."

"Referring to comments by businessmen who have dealt with Park, Ables said in a letter:

"Certainly something more than comments from business competitors is required to underpin your assumptions, particularly as these comments, as I understand you, were not given in an affirmative complaint but in response to questions by a representative of The Washington Post, with all that such inquiry from that source implies these days."

"To many of Park's friends, the 40-year-old bachelor is a man of taste and charm, a gracious host, and a promoter of good will between the American and South Korean people.

"I know of no dealings he has with the government; I know of no dealings he has with the Hill; I know of no campaign contributions he has given, and I was chairman of the Democratic Congressional Campaign Committee. He has never asked me for a single thing," said Rep. O'Neill, whose press aide says Park regularly visits O'Neill to push for American aid to South Korea.

"I think Park is one of the outstanding men I've met," says Peter J. Malatesta, deputy assistant secretary of commerce. "His word is his bond."

U.S. District Court and Superior Court records in Washington show Park has been sued a dozen times for alleged nonpayment of bills and loans, for allegedly writing a bad check, and allegedly reneging on a contract.

"The allegations of unpaid obligations have ranged from a \$225 bill for sanding a floor to a \$5,163 charge on his airline credit card to defaulting on a \$100,000 loan from a Virginia bank.

Court records show that most of the suits, two filed as recently as last year, were either withdrawn or settled out of court, while others have resulted in judgments against Park and attachment of his bank accounts.

James H. Ables, said the suits were "not matters in Park's business



By Harry Nathchayan—The Washington Post

Sen. Brooke and Tongsun Park at the Korean's birthday party in March.

career and were generally for "comparatively" small amounts.

Ables said Park was used "in his capacity as head of his organization—as with the Georgetown Club—much like a cabinet officer or head of a government agency is named when the lawsuit is aimed at the organization and not the individual."

All but one of the suits name either Park alone or Park and one of his companies, Suter's Tavern, Inc., which operates the Georgetown Club, a private club in Washington.

In a Post interview in March, Park said he owned about 28 oil tankers. His shipping adviser, Milton G. Nottingham Jr., said recently that he believes the figure is closer to two, although nobody contends Park is poor.

Park and his brother are majority shareholders of Myryung Senese Co., a Korean distributor for Gulf Oil Corp. The brothers inherited the firm from their father.

Gulf was recently revealed to have paid \$4 million to South Korea's ruling political party to protect the company's assets in Korea.

Park's brother also owns Pan Ocean Bulk Carriers Ltd., which owns some 20 ships, including tankers financed by Gulf and leased back to it and vessels used in part to transport rice under the Food for Peace program.

Park himself owns several additional South Korean firms, known as the Myryung Group, which engage in importing and exporting, shipping consulting and service as agents.

Park has been entering the United States for extended visits either for pleasure or business since 1952. He owns a \$275,000 home in Washington at 2211 30th St. N.W., a small office building at 1604 K Street N.W., and was recently reported to be incalculably wealthy. He is married to a woman from a prominent family in Washington.

By most accounts, it was Park's position on the board of the Georgetown

town Club after graduating from Georgetown University in 1963 that propelled him to center stage in Washington political society.

The private club has about 400 members, rents space from Park's Suter's Tavern under a 39-year lease, and receives its services from Park's company.

The rehearsal dinner for Elizabeth Baimes Johnson's wedding and many other major social events have taken place in the club's low-ceilinged dining room, paneled with 17th Century hand-carved Spanish wood.

The club's members have included Presidents Eisenhower and Ford, as well as members of Congress, Cabinet officers and Supreme Court justices, according to its manager, Norman J. Larsen.

Park has explained his parties to the club and at his opulent, Oriental home complete with \$32,000 stereo set by saying he is grateful for the wealth he has acquired.

"Everybody thinks I have an ulterior motive in giving parties," Park told The Post in March.

"I frankly like to have parties for my friends. It is a privilege to be the catalyst in bringing people together."

"Park has a subtle way of showing up his photo album with the president of Korea on one side and Hubert Humphrey on the other," says an American business executive. "An aide to Humphrey said the senator's only contact with Park has been attending at one of his parties."

What is known about the favor extended by Park to the family of Mrs. Howe, a former assistant to Bush, is not inconsistent with Park's attempts to garner influence. Those who know Park say:

Mrs. Howe's husband, James W. Howe, committed suicide in April after he had been known to Park had acted as an intermediary between the Howes and the

fore taking his own life. Howe repaid Park.

Korean officials periodically express annoyance at Park's activities. However, Donald L. Ramey, former State Department director of the Office of Korean Affairs, says, "Korean officials have told me there was nothing they could do about Park because he was operating with higher authority—meaning he was close to the Blue House (South Korea's Presidential residence) or Korean CIA."

Park has been able to demonstrate his importance to the South Korean government by dropping the names of U.S. officials who have been to his parties, those who know him say.

"Park has traded prestige in the United States for prestige in Korea and parlayed that back to the United States," says a corporate executive.

"I was warned about Mr. Park a long time ago as being something close to a lobbyist," says Rep. Lester L. Wolff (D. N.Y.), chairman of the House International Relations Subcommittee on Future Foreign Policy.

Often, references to Park include some reference to girls, according to many persons interviewed by The Post. "He invites pretty single girls to his parties, which makes them so special," says a former business associate.

Park has a reputation as a playboy. But his friend, Tandy Means Dickinson, says, "Mr. Park is an honorable man. He is not a playboy. His work comes first."

Park's work includes regular visits—often at six-month intervals—to mem-

bers of Congress with jurisdiction over foreign affairs or foreign aid programs affecting South Korea. Since 1946, South Korea has received \$12 billion in American foreign aid, excluding military expenditures, or more than any country except South Vietnam.

Describing the visits, Rep. Wolff says, "He generally talks Korea—he's a businessman doing this voluntarily to help the Korean government. He feels the United States should give more aid and continue its relationship."

"He clearly has an axe to grind," the congressman adds.

Some who have dealt with Park say he often claims to be influential with certain members of Congress. Among the names most often mentioned, they say, are Otto E. Passman (D-La.) and former Rep. Cornelius E. Gallagher (D-N.J.).

The president of a multinational American company says Gallagher told him that he and Park could deliver to the executive's company the rice business originating in California and financed by the Food for Peace program for shipment to Korea.

Gallagher pleaded guilty in 1972 to income tax evasion.

Asked for comment, Gallagher said recently, "Park is my friend, and there's nothing I can add."

Passman, who exercises substantial control over Food for Peace and AID rice loans to Korea, said, "The man (Park) brought me gifts, but I declined them."

"The fellow is brazen," Passman

added. "I do not accept his favors, here or in Korea. Maybe I have a cup of coffee with the man."

When Passman traveled to Seoul in January, his hotel accommodations were arranged by Park's company. On those occasions when he has accompanied Passman to Korea, said Gordon J. Dore, a friend of the congressman, Park has been at the airport to greet them.

"He can arrange appointments for you with Korean officials," Dore said. "If you needed a car or wanted to go shopping, he would have somebody in his organization go with you."

In 1972, Passman was photographed by a Crowley, La., newspaper while giving a press conference with Park. Announcing that he expected South Korea to buy a million tons of American rice, Passman referred to Park as the Korean ambassador-at-large, and was quoted as saying, "The ambassador-at-large (Park) placed his stamp of approval upon the plan and will discuss the matter in person with President Park of Korea."

Passman said recently he did not know how he learned that President Park Chung Hee had approved the transaction. Referring to his description of Tongsun Park as an ambassador, Passman said, "I might call you general, to be frank."

He added, "I guess I was trying to impress whoever was listening that we were on our way to selling the rice. I don't know what this is all about."

NEXT: Sale of rice to Korea

2 Unaware They Were 'Directors'

Like many of Tongsun Park's business activities, the identities of the directors of his primarily Washington-based company are a mystery.

The company, Pacific Development, Inc., is involved in the Food for Peace rice and wheat business to Korea, acts as an agent for U.S. firms doing business in Korea and develops business ventures in the United States.

Corporation records in the District, where the company was incorporated in 1968, list its directors as Robert K. Gray, who heads the Washington office of Hill & Knowlton Inc., a public relations firm; former Rep. Richard T. Hanna (D-Calif.); former Secretary of the Navy Fred Korth, and Norman T. Larsen, who manages the Georgetown Club

for Park's company, Suter's Tavern, Inc.

But Gray, who is sometimes seen at parties escorting Rose Mary Woods, former President Nixon's personal secretary, said he became aware that he was listed as a director earlier this year when Korth mentioned he had just found out he was listed as a director.

According to correspondence made available by Gray, Gray told Park in a letter Jan. 30, "Not only have I never agreed to serve on the board of the corporation, I was never asked to do so. I have never attended a meeting of the board, nor been asked to do so... To be frank, I had not even heard of the corporate name until my recent conversation with Secretary Korth."

Park's company replied with a copy of purported meetings of a directors' meeting that allegedly took place Dec. 10, Gray said.

The minutes, provided by Gray, state that Gray, Korth, Hanna, Park and Larsen were present.

"Robert K. Gray and Fred Korth stated they did not wish to continue as directors and that they wished to resign," the minutes say. "Their resignations were accepted and they left the meeting."

The minutes are signed by Park, Larsen, Hanna and Milton G. Nottingham Jr., who was allegedly named as a new director. Nottingham is a shipping adviser to Park and vice president of another Park company, Five Star Navigation Co. Nottingham acts as shipping agent on much of the Food for Peace rice business to Korea.

Gray and Hanna said they have never attended a directors' meeting. Korth and Larsen declined to comment.

Nottingham said he signed the minutes because he understood the matters reported by them had been the subject of agreements among the parties.

"I wouldn't say the meeting didn't take place," he said. He said it is not uncommon for a small business to prepare such minutes even though directors "may not be physically present."

Asked if he was saying the meeting did not take place, Nottingham said, "I think I've said enough."

Park declined to be interviewed. His lawyer, Robert J. Ables, said in a letter, "On the matter of directors, Mr. Park mistook certain preliminary conversations. Corrective action has been taken, and he regrets any embarrassment caused by the misunderstanding."

Ronald Kessler



By Harry Nathanson, The Washington Post

Tassun Park—power through connection money, partner